

## **EXHIBIT 1**

**Yokoi Decl.**

# T. M. CARGO, Inc.

5520 Hillview Drive  
Brentwood, Tennessee 37027  
Email: [Tmcargo@comcast.net](mailto:Tmcargo@comcast.net)

Phone: (615) 883-1516

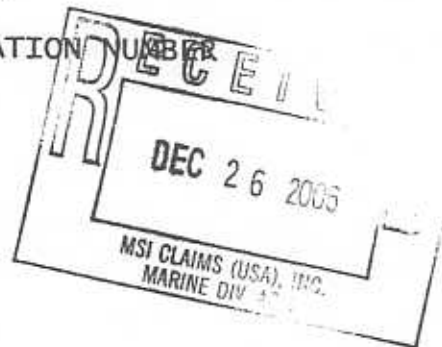
Fax: (615) 883-1716

December 19, 2006

INTERNAL REVENUE IDENTIFICATION NUMBER

58-1923034

MSI Claims (USA), Inc.  
560 Lexington Avenue, 20<sup>th</sup> Floor  
New York, NY 10022-6828



Attn: Mr. Chikara Yokoi

RE: "Ever Union"  
Your File: MSI-06-5-2653  
Our file: 06-6916  
Invoice Number: 0013510

## INVOICE

FEE

\$ 2,400.00

### EXPENSE

Auto 778 @ 0.65	505.70
Hotel	91.19
Photo Disk	10.00
Office/Administrative	240.00

846.89

Total \$3,246.89



PAID  
1/4/09

PLEASE QUOTE OUR FILE NUMBER WHEN REMITTING

SURVEYORS AND ADJUSTERS

Exhibit 1

0100

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Brentwood, Tennessee 37027  
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December 19, 2006

MSI Claims (USA), Inc.  
560 Lexington Avenue, 20<sup>th</sup> Floor  
New York, N.Y. 10022-6828

Attn: Chikara Yokoi

Re: "Ever Union"  
Your Ref. No: MSI-06-5-2653  
Our File: 06-6916

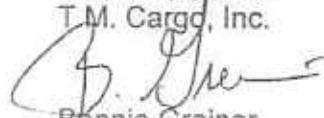
Dear Chas:

Please find attached our Survey Report and Documents as regards the captioned claim.

If the attached is found to be in order, we would appreciate your placing our Survey Fee in line for payment at your earliest convenience.

Should you have any questions, please feel free to contact the undersigned.

Very truly yours,  
T.M. Cargo, Inc.

  
Bennie Greiner  
Marine Surveyor

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SURVEYORS AND ADJUSTERS

0101

# T.M. CARGO, Inc.

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Brentwood, Tennessee 37027  
Email: [Tmcargo@comcast.net](mailto:Tmcargo@comcast.net)

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Fax: (615) 883-1716

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December 18, 2006

MSI Claims USA, Inc.  
560 Lexington Avenue, 20<sup>th</sup> Floor  
New York, New York 10022  
Attn: Ms. Blanca Ramos

Re:	"Ever Union"
Consignee:	Asmo North Carolina
Bill of Lading:	EISU025643005523
Container No.:	UGMU8062288, TRIU5559381
Your File No.:	MSI-06-5-2653
Our File No.:	06-6916

## "For The Account Of Whom It May Concern"

This is to certify that the undersigned surveyor to the staff of TM Cargo, Inc., 5520 Hillview Drive, Brentwood, Tennessee, did as requested, attend survey at Asmo North Carolina, 470 Crawford Road, Statesville, North Carolina on May 5, 2006 in order to determine the cause, nature and extent of reported damage to a shipment of Motor and Motor Parts for New Automobiles.

Prior to our arrival, we were informed that the above captioned shipment was involved in a derailment. Further investigation revealed that on April 5, 2006 a Union Pacific train struck a tractor trailer at a highway rail grade crossing. As a result two crewman were injured and six cars derailed and they in turn derailed six more cars. It was further reported that the containers were so badly damaged that they had to be transloaded at the derailment site.

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SURVEYORS AND ADJUSTERS



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Upon our arrival, we met with Mr. Jeff Smith representing Asmo North Carolina. We were directed to an area of their facility where the contents of container numbers UGMU8062288 and TRIU5559381 had been staged for our examination. We noted many of the motors to have been placed in one large fiberboard carton instead of the individual cartons with separators as noted the cargo not involved in the derailment. Further inspection revealed motors and parts with scrapes/gouges from metal to metal contact.

We discussed our findings with Mr. Smith, who agreed to have his quality control personnel do a 100% inspection of the cargo and contact us when completed. In addition we discussed the options available for testing the motors. It was expressed by Mr. Smith that these motors were for power windows and power brakes in the manufacture of new Toyota automobiles and the only way to test them would be to have each individual motor x-rayed. We requested Mr. Smith contact his customer to ascertain if the motors were tested if they would accept as sound and to obtain a cost to x-ray for damages.

After discussing with underwriters we requested Asmo North Carolina to forward fifty (50) motors to NDT Specialists for sample x-raying to ascertain a concrete cost to x-ray all of the motors. Upon receipt of the outcome of the x-raying of the fifty motors we were contacted by Mr. Greg Cox, Quality Control Manager indicating that he had reviewed the x-rays of the Power Window motors and it was his opinion that they did not provide conclusive evidence that there was no internal damage, especially to the magnet or brush area. Mr. Cox further reported that " the power window motor contains two magnets (Ferrite compound) and two brushes (Graphite compound). These component parts are critical in the motor performance. Based upon the positioning of these component parts with-in the motor is is virtually impossible to determine by x-ray if a crack exists. Even a hairline crack is detrimental to the life of our motor." Mr. Cox also indicated that they had contacted their customer, Denso Engineering Services, which had the following statement regarding the motors:

"Denso can't use any motors that are knowingly suspect. As you know we must validate all aspects of motors before we can ship them to Toyota. There is no possible way to assure that these motors will maintain the "known" quality levels. These parts would have to be "re-tested" from a simple performance standpoint along with long-term durability.

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Both Denso and Toyota have built their reputation with Quality products. There is no possible way that Denso can agree to use motors and put our name and customers vehicles at risk".

From the damage condition of rejected parts, we can agree to Mr. Cox's opinion that we cannot exclude possibility of such a hairline crack caused by the accident. Also, we agree Denso's opinion that these parts has to be "re-tested" from a simple performance standpoint along with long-term durability and that it is clear, in view of the value of each rejected parts, such "re-testing" is cost-prohibitive.

After discussing our findings with underwriters it was agreed that Asmo be given authorization to dispose/destroy the suspect cargo with any scrap allowance being deducted from their claim.

On December 15, 2006 we received the following claim from Asmo:

<u>Container #</u>	<u>Part #</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Total</u>
UGMU8062288	062040-2131	PW MOTOR	252	\$8.78	\$2,212.56
UGMU8062288	062107-0020	PIPE	4000	\$0.02	\$80.00
UGMU8062288	062110-0610	ARMATURE SUB ASSY	19500	\$0.83	\$16,185.00
UGMU8062288	062110-0990	ARMATURE SUB ASSY	11700	\$1.06	\$12,402.00
UGMU8062288	062110-1030	ARMATURE SUB ASSY	3900	\$1.05	\$4,095.00
UGMU8062288	062117-0031	ARMATURE ASSY	10000	\$0.36	\$3,600.00
UGMU8062288	062252-0010	RETAINER	15000	\$0.02	\$300.00
UGMU8062288	062258-0020	COLLAR	3000	\$0.13	\$390.00
UGMU8062288	062414-0020	SHAFT WORM	12960	\$0.35	\$4,536.00
UGMU8062288	062414-0050	SHAFT DRIVE	8640	\$0.04	\$345.60
UGMU8062288	062432-0750	SHAFT DRIVE	1200	\$0.17	\$204.00
UGMU8062288	062482-0080	ARM, DRIVE	6000	\$0.01	\$60.00
UGMU8062288	110710-0321	CONTROL ASSY	936	\$12.10	\$11,325.60
UGMU8062288	162000-6861	POWER SEAT MOTOR	2304	\$4.93	\$11,358.72
UGMU8062288	162000-7050	POWER SEAT MOTOR	2160	\$6.69	\$14,450.40
UGMU8062288	162110-1290	ARMATURE SUB ASSY	2843	\$1.61	\$4,577.23
UGMU8062288	162185-0150	BRUSH SUB ASSY	4000	\$0.01	\$40.00
UGMU8062288	163800-0062	MOTOR ASSY	675	\$6.72	\$4,536.00
UGMU8062288	194000-0891	BLOWER MOTOR	864	\$7.93	\$6,851.52
UGMU8062288	194270-9111	BRUSH	1200	\$0.34	\$408.00
UGMU8062288	262100-2540	PW MOTOR	1080	\$6.56	\$7,084.80
UGMU8062288	262100-2550	PW MOTOR	4680	\$6.56	\$30,700.80
UGMU8062288	262100-4070	MOTOR ASSY	1200	\$6.57	\$7,884.00
UGMU8062288	263607-0390	SENSOR	240	\$11.03	\$2,647.20

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UGMU8062288	263607-0400	SENSOR	240	\$10.63	\$2,551.20
UGMU8062288	272700-0060	BLOWER MOTOR	216	\$6.78	\$1,464.48
UGMU8062288	272700-0212	BLOWER MOTOR	216	\$6.91	\$1,492.56
UGMU8062288	272700-0222	BLOWER MOTOR	216	\$6.78	\$1,464.48
UGMU8062288	272721-0021	ARMATURE	1792	\$2.57	\$4,605.44
UGMU8062288	272721-5110	ARMATURE	770	\$2.35	\$1,809.50
UGMU8062288	272772-5000	BRUSH, CARBON	13200	\$0.24	\$3,168.00
TRIU5559381	062110-0610	ARMATURE SUB ASSY	15013	\$0.83	\$12,460.79
TRIU5559381	062110-0990	ARMATURE SUB ASSY	3420	\$1.06	\$3,625.20
TRIU5559381	062110-1030	ARMATURE SUB ASSY	3900	\$1.05	\$4,095.00
TRIU5559381	062252-0010	RETAINER	30000	\$0.02	\$600.00
TRIU5559381	062252-0020	RETAINER	5000	\$0.03	\$150.00
TRIU5559381	062452-0740	PLATE, COVER	25920	\$0.01	\$259.20
TRIU5559381	062482-0080	ARM, DRIVE	12000	\$0.01	\$120.00
TRIU5559381	062497-0101	WASHER	3200	\$0.04	\$128.00
TRIU5559381	110710-0321	CONTROL ASSY	264	\$12.10	\$3,194.40
TRIU5559381	162000-6861	POWER SEAT MOTOR	13824	\$4.93	\$68,152.32
TRIU5559381	162000-7050	POWER SEAT MOTOR	2100	\$6.69	\$14,049.00
TRIU5559381	162000-7130	POWER SEAT MOTOR	1080	\$6.95	\$7,506.00
TRIU5559381	162141-0690	YOKE	7056	\$0.45	\$3,175.20
TRIU5559381	194000-0891	BLOWER MOTOR	108	\$7.93	\$856.44
TRIU5559381	262100-2511	PW MOTOR	504	\$7.13	\$3,593.52
TRIU5559381	262100-2550	PW MOTOR	1706	\$6.56	\$11,191.36
TRIU5559381	262100-4070	MOTOR ASSY	297	\$6.57	\$1,951.29
TRIU5559381	263607-0380	SENSOR	960	\$11.03	\$10,588.80
TRIU5559381	263607-0390	SENSOR	720	\$11.03	\$7,941.60
TRIU5559381	263607-0410	SENSOR	240	\$10.63	\$2,551.20
TRIU5559381	272700-0212	BLOWER MOTOR	648	\$6.91	\$4,477.68
TRIU5559381	272721-0050	ARMATURE	896	\$2.35	\$2,105.60
TRIU5559381	272772-0010	BRUSH, CARBON	720	\$0.17	\$122.40
				<b>SUBTOTAL</b>	<b>\$325,725.09</b>

MISSING  
PARTS

062107-0020	PIPE	4000	\$0.02	\$80.00
062110-0610	ARMATURE SUB ASSY	587	\$0.83	\$487.21
062110-0990	ARMATURE SUB ASSY	480	\$1.06	\$508.80
062193-0140	PLATE	20000	\$0.01	\$200.00
062252-0020	RETAINER	5000	\$0.03	\$50.00
062258-0020	COLLAR	3000	\$0.13	\$390.00
062260-0020	SENSOR	1500	\$1.15	\$1,725.00
062418-0140	COLUMN SUPPORT	60000	\$0.03	\$1,800.00
062418-0220	COLUMN SUPPORT	6000	\$0.14	\$840.00
062419-0070	CUSHION RUBBER	72000	\$0.13	\$9,360.00
062432-0750	SHAFT DRIVE	1200	\$0.17	\$204.00
062476-0010	COLLAR	2000	\$0.11	\$220.00
062497-0101	WASHER	3200	\$0.04	\$128.00
110710-0321	CONTROL ASSY	48	\$12.10	\$580.80
162000-7050	POWER SEAT MOTOR	60	\$6.69	\$401.40

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162110-1290	ARMATURE SUB ASSY	2341	\$1.61	\$3,769.01
162185-0150	BRUSH SUB ASSY	5000	\$0.01	\$500.00
163800-0062	MOTOR ASSY	75	\$6.72	\$504.00
163800-0211	MOTOR ASSY	750	\$6.93	\$5,197.50
194000-0961	BLOWER MOTOR	324	\$7.93	\$2,569.32
194200-0701	HOUSING	3366	\$1.78	\$5,991.48
194270-9002	BRUSH	3600	\$0.03	\$108.00
194270-9012	BRUSH	3600	\$0.03	\$108.00
194271-9002	BRUSH	8000	\$0.28	\$2,240.00
262100-2550	PW MOTOR	1174	\$6.56	\$7,701.44
262100-4070	MOTOR ASSY	303	\$6.57	\$1,990.71
	SEAL SPONGE,			
263606-0160	SENSOR	800	\$0.08	\$64.00
263606-0210	SEAL SPONGE	1000	\$0.07	\$70.00
263616-0040	CLIP	1600	\$0.04	\$64.00
272721-0050	ARMATURE	896	\$2.35	\$2,105.60
272721-5000	ARMATURE	2310	\$2.35	\$5,428.50
272772-0040	BRUSH, CARBON	720	\$0.21	\$151.20
272772-5000	BRUSH, CARBON	4800	\$0.24	\$1,152.00
909400-4101	SCREW TAPPING	5000	\$0.01	\$50.00
949021-1560	WASHER RUBBER	30000	\$0.01	\$300.00
			<b>SUBTOTAL</b>	<b>\$56,689.97</b>
			<b>TOTAL</b>	<b>\$382,415.06</b>

We agree that all parts listed above are a constructive total loss.

In addition to the above claim for the missing/damaged cargo, the assured has also submitted the following:

Labor to sort/segregate - 36 hrs @ \$17.26/hr.	\$	621.36
Labor to sort/segregate - 30 hrs @ \$19.00/hr.	\$	570.00
Storage charge (2 trailers) 7 months @ \$100.00 ea/month	\$	1,250.00
X-ray fee (50 motors)	\$	75.00
Freight from NC to Milwaukee	\$	40.28
Sort/segregate for scrapping 26 hrs @ \$19.00/hr.	\$	494.00
Sort/segregate for scrapping 48 hrs @ \$12.50/hr.	\$	600.00
	\$	<u>3,650.64</u>
Less scrap proceeds	\$	<u>10,777.20</u>

Grand total \$ 375,288.50

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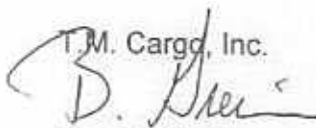
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It should be noted that container number UGMU8062288 contained 73 master cartons that were found to be damaged and container number TRIU5559381 contained 72 master cartons with damaged cargo.

The above appears to be fair and reasonable based upon the conditions sighted at the time of survey.

The conditions sighted in our opinion were the direct result of the Union Pacific train derailment in Higginson, Arkansas on April 5, 2006.

This report is issued "Without Prejudice" and subject to the terms and conditions of the Policy of Insurance.

T.M. Cargo, Inc.  
  
Bennie Greiner  
Marine Surveyor

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